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| 09/396,005   | 09/13/1999  | KHAI HEE KWAN        |                             | 6815             |
| 23336  | 7590        | 09/30/2005           |                             |                  |
| KHAI HEE KWAN<br>315 AVOCA ST.<br>RANDWICK, 02031<br>AUSTRALIA |             |                      | EXAMINER<br>REAGAN, JAMES A |                  |
|  |             |                      | ART UNIT<br>3621            | PAPER NUMBER     |

DATE MAILED: 09/30/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/396,005

Applicant(s)

KWAN, KHAI HEE

Examiner

James A. Reagan

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 21 May 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 13-31 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☐ Claim(s) \_\_\_\_\_ is/are rejected.
- 7) ☒ Claim(s) 13-31 is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### **Status of Claims**

1. This action is in reply to the response filed on 21 May 2005.
2. Claims 14, 20, 29, and 30 have been amended.
3. Claims 13-31 have been examined.
4. The Finality of the previous Office action is hereby withdrawn.

### **Specification**

5. The following guidelines illustrate the preferred layout for the specification of a utility application. These guidelines are suggested for the applicant's use.

### **Arrangement of the Specification**

6. As provided in 37 CFR 1.77(b), the specification of a utility application should include the following sections in order. Each of the lettered items should appear in upper case, without underlining or bold type, as a section heading. If no text follows the section heading, the phrase "Not Applicable" should follow the section heading:

(a) TITLE OF THE INVENTION.

(b) CROSS-REFERENCE TO RELATED APPLICATIONS.

(c) STATEMENT REGARDING FEDERALLY SPONSORED RESEARCH OR  
DEVELOPMENT.

(d) INCORPORATION-BY-REFERENCE OF MATERIAL SUBMITTED ON A COMPACT  
DISC (See 37 CFR 1.52(e)(5) and MPEP 608.05. Computer program listings (37

CFR 1.96(c)), "Sequence Listings" (37 CFR 1.821(c)), and tables having more than 50 pages of text are permitted to be submitted on compact discs.) or

REFERENCE TO A "MICROFICHE APPENDIX" (See MPEP § 608.05(a). "Microfiche Appendices" were accepted by the Office until March 1, 2001.)

(e) BACKGROUND OF THE INVENTION.

(1) Field of the Invention.

(2) Description of Related Art including information disclosed under 37 CFR 1.97 and 1.98.

(f) BRIEF SUMMARY OF THE INVENTION.

(g) BRIEF DESCRIPTION OF THE SEVERAL VIEWS OF THE DRAWING(S).

(h) DETAILED DESCRIPTION OF THE INVENTION.

(i) CLAIM OR CLAIMS (commencing on a separate sheet).

(j) ABSTRACT OF THE DISCLOSURE (commencing on a separate sheet).

(k) SEQUENCE LISTING (See MPEP § 2424 and 37 CFR 1.821-1.825. A "Sequence Listing" is required on paper if the application discloses a nucleotide or amino acid sequence as defined in 37 CFR 1.821(a) and if the required "Sequence Listing" is not submitted as an electronic document on compact disc).

**Content of Specification**

- (a) Title of the Invention: See 37 CFR 1.72(a) and MPEP § 606. The title of the invention should be placed at the top of the first page of the specification unless the title is provided in an application data sheet. The title of the invention should be brief but technically accurate and descriptive, preferably from two to seven words may not contain more than 500 characters.

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- (b) Cross-References to Related Applications: See 37 CFR 1.78 and MPEP § 201.11.
- (c) Statement Regarding Federally Sponsored Research and Development: See MPEP § 310.
- (d) Incorporation-By-Reference Of Material Submitted On a Compact Disc: The specification is required to include an incorporation-by-reference of electronic documents that are to become part of the permanent United States Patent and Trademark Office records in the file of a patent application. See 37 CFR 1.52(e) and MPEP § 608.05. Computer program listings (37 CFR 1.96(c)), "Sequence Listings" (37 CFR 1.821(c)), and tables having more than 50 pages of text were permitted as electronic documents on compact discs beginning on September 8, 2000.

Or alternatively, Reference to a "Microfiche Appendix": See MPEP § 608.05(a). "Microfiche Appendices" were accepted by the Office until March 1, 2001.

- (e) Background of the Invention: See MPEP § 608.01(c). The specification should set forth the Background of the Invention in two parts:
  - (1) Field of the Invention: A statement of the field of art to which the invention pertains. This statement may include a paraphrasing of the applicable U.S. patent classification definitions of the subject matter of the claimed invention. This item may also be titled "Technical Field."
  - (2) Description of the Related Art including information disclosed under 37 CFR 1.97 and 37 CFR 1.98: A description of the related art known to the applicant and

including, if applicable, references to specific related art and problems involved in the prior art which are solved by the applicant's invention. This item may also be titled "Background Art."

- (f) **Brief Summary of the Invention:** See MPEP § 608.01(d). A brief summary or general statement of the invention as set forth in 37 CFR 1.73. The summary is separate and distinct from the abstract and is directed toward the invention rather than the disclosure as a whole. The summary may point out the advantages of the invention or how it solves problems previously existent in the prior art (and preferably indicated in the Background of the Invention). In chemical cases it should point out in general terms the utility of the invention. If possible, the nature and gist of the invention or the inventive concept should be set forth. Objects of the invention should be treated briefly and only to the extent that they contribute to an understanding of the invention.
- (g) **Brief Description of the Several Views of the Drawing(s):** See MPEP § 608.01(f). A reference to and brief description of the drawing(s) as set forth in 37 CFR 1.74.
- (h) **Detailed Description of the Invention:** See MPEP § 608.01(g). A description of the preferred embodiment(s) of the invention as required in 37 CFR 1.71. The description should be as short and specific as is necessary to describe the invention adequately and accurately. Where elements or groups of elements, compounds, and processes, which are conventional and generally widely known in the field of the invention described and their exact nature or type is not necessary for an understanding and use of the invention by a person skilled in the art, they should not be described in detail. However, where particularly complicated subject matter is involved or where the elements, compounds, or

processes may not be commonly or widely known in the field, the specification should refer to another patent or readily available publication which adequately describes the subject matter.

- (i) Claim or Claims: See 37 CFR 1.75 and MPEP § 608.01(m). The claim or claims must commence on separate sheet or electronic page (37 CFR 1.52(b)(3)). Where a claim sets forth a plurality of elements or steps, each element or step of the claim should be separated by a line indentation. There may be plural indentations to further segregate subcombinations or related steps. See 37 CFR 1.75 and MPEP § 608.01(i)-(p).
- (j) Abstract of the Disclosure: See MPEP § 608.01(f). A brief narrative of the disclosure as a whole in a single paragraph of 150 words or less commencing on a separate sheet following the claims. In an international application which has entered the national stage (37 CFR 1.491(b)), the applicant need not submit an abstract commencing on a separate sheet if an abstract was published with the international application under PCT Article 21. The abstract that appears on the cover page of the pamphlet published by the International Bureau (IB) of the World Intellectual Property Organization (WIPO) is the abstract that will be used by the USPTO. See MPEP § 1893.03(e).
- (k) Sequence Listing, See 37 CFR 1.821-1.825 and MPEP §§ 2421-2431. The requirement for a sequence listing applies to all sequences disclosed in a given application, whether the sequences are claimed or not. See MPEP § 2421.02.

7. 35 U.S.C. 112, first paragraph, requires the specification to be written in "full, clear, concise, and exact terms." The specification is replete with terms which are not clear, concise and exact. The

specification should be revised carefully in order to comply with 35 U.S.C. 112, first paragraph. Examples of some unclear, inexact or verbose terms used in the specification are: The background of the specification.

**Claim Rejections - 35 USC § 112**

8. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

9. Claims 17, 18, 22-25 and 27-31 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 17, 18, 22-25 and 27-31 are rejected under 35 U.S.C. 112, second paragraph, as being improperly written dependent claims. Appropriate correction is required.
10. Claim 14 recites the limitation "identifier account." There is insufficient antecedent basis for this limitation in the claim.
11. Claim 20 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The nature of the "code" for each limitation is not adequately claimed.
12. Claims 29 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The limitation *wherein transaction codes are not economic representation* is a negative



limitation which does not fully and adequately disclose the form or nature of the transaction code itself.

### RESPONSE TO ARGUMENTS

13. Applicant's arguments received on 11 January 2005 have been fully considered but they are not persuasive. Referring to the previous Office action, Examiner has cited relevant portions of the references as a means to illustrate the systems as taught by the prior art. As a means of providing further clarification as to what is taught by the references used in the first Office action, Examiner has expanded the teachings for comprehensibility while maintaining the same grounds of rejection of the claims, except as noted above in the section labeled "Status of Claims." This information is intended to assist in illuminating the teachings of the references while providing evidence that establishes further support for the rejections of the claims.

Applicant has provided a specification that does not correspond to customary US practices. Applicant may wish to consider revising the sections to better conform with standard US Patent Applications.

With regard to the rejection of claims 17, 18, 22-25, and 27-31 are rejected under 35 U.S.C. 112, these claims are improperly dependent. Contrary to the assertion by the Applicant that the classification is in question, the claims are written as independent claims and yet refer to parent as well. Correction is required.

With regard to the limitations of claims 13, 17, and 22, Applicant argues that the use of the background section of the application is not considered prior art. Applicant's voluntary admissions regarding the state of the art and the examples provided were given full faith and credit by the Examiner as testimony by one of at least ordinary skill in the art at the time the invention was conceived. Therefore, the Examiner dutifully accepts the Applicant's background information as factual.

Applicant argues that there is no motivation to combine the applied references. In response to Applicant's argument that there is no suggestion to combine the references, the Examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

Furthermore, the Examiner recognizes that references cannot be arbitrarily altered or modified and that there must be some reason why one skilled in the art would be motivated to make the proposed modifications. Although the motivation or suggestion to make modifications must be articulated, it is respectfully submitted that there is no requirement that the motivation to make modifications must be expressly articulated within the references themselves. References are evaluated by what they suggest to one versed in the art, rather than by their specific disclosures, *In re Bozek*, 163 USPQ 545 (CCPA 1969).

The Examiner is concerned that the Applicant apparently ignores the mandate of the numerous court decisions supporting the position given above. The issue of obviousness is not determined by what the references expressly state but by what they would reasonably suggest to one of ordinary skill in the art, as supported by decisions in *In re Delisle* 406 Fed 1326, 160 USPQ 806; *In re Kell, Terry and Davies* 208 USPQ 871; and *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ 2d 1596, 1598 (Fed. Cir. 1988) (citing *In re Lalu*, 747 F.2d 703, 705, 223 USPQ 1257, 1258 (Fed. Cir. 1988)). Further, it was determined in *In re Lamberti et al* 192 USPQ 278 (CCPA) that:

- (i) obvious does not require absolute predictability;
- (ii) non-preferred embodiments of prior art must also be considered; and
- (iii) the question is not express teaching of references but what they would suggest.

According to *In re Jacoby*, 135 USPQ 317 (CCPA 1962), the skilled artisan is presumed to know something more about the art than only what is disclosed in the applied references.

Within *In re Bode*, 193 USPQ 12 (CCPA 1977), every reference relies to some extent on knowledge of persons skilled in the art to complement that which is disclosed therein. In *In re Conrad* 169 USPQ 170 (CCPA), obviousness is not based on express suggestion, but what references taken collectively would suggest.

In the instant case, it is NOT seen that the Examiner's combination of references is unsupported by the applied prior art of record. Rather, it is respectfully submitted that explanation based on the logic and scientific reasoning of one ordinarily skilled in the art at the time of the invention that support a holding of obviousness has been adequately provided by the motivations and reasons indicated by the Examiner, *Ex parte Levengood* 28 USPQ 2d 1300 (Bd. Pat. App. & Inter., 4/22/93).

Applicant's assertions regarding automation and inherency, while well-written and competent, are irrelevant. It appears as if the Applicant is reading limitations into the claims from the specification. Consequently, the points argued are not recited in the claims themselves. For that reason, a solid argument in their contemplation cannot be established. Subsequent amendments to the claim language that would include the positions presented by the Applicant's arguments would provoke the Examiner to address the claims individually and as a whole, in light of the remaining limitations as well as the specification. Until such amendments are rendered, the arguments are disregarded and will not be countered.

In summary, the Examiner has taken the broadest and most reasonable interpretation of the claim limitations as written, in light of the specification. Although the specification may contain recitations of intended use, alternative points of view and subjective interpretative differences between the prior art of record and the present invention as premeditated, it is the claims themselves that are given patentable weight only inasmuch as they are constructed. Because the claimed invention has been painted with the broad stroke of petitioning for limitations that encompasses more than is asserted in the Applicant's claims, the prior art of record continues to fully disclose the Applicant's inventions *as claimed*.

With reference to Applicant's arguments regarding a host server, entering payee's identifier, anonymity, stored funds, independence from a banking network, and prepaid cards, it appears as if the Appellant is attacking the references in a piecewise fashion, instead of in combination, as intended by the Examiner and as shown above in the rejections under 35 USC § 103(a). The Examiner is relying on both Rosen and Applicant's own admissions to fully disclose the claimed invention.

With regard to the arguments against the rejections of claims 15, 19, and 24, it appears as if the Applicant is reading limitations into the claims from the specification. Consequently, the points argued are not recited in the claims themselves. For that reason, a solid argument in their contemplation cannot be established. Subsequent amendments to the claim language that would include the positions presented by the Applicant's arguments would provoke the Examiner to address the claims individually and as a whole, in light of the remaining limitations as well as the specification. Until such amendments are rendered, the arguments are disregarded and will not be countered.

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Applicant argues that there is no motivation to combine the applied references. In response to Applicant's argument that there is no suggestion to combine the references, the

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Examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

Furthermore, the Examiner recognizes that references cannot be arbitrarily altered or modified and that there must be some reason why one skilled in the art would be motivated to make the proposed modifications. Although the motivation or suggestion to make modifications must be articulated, it is respectfully submitted that there is no requirement that the motivation to make modifications must be expressly articulated within the references themselves. References are evaluated by what they suggest to one versed in the art, rather than by their specific disclosures, *In re Bozek*, 163 USPQ 545 (CCPA 1969).

The Examiner is concerned that the Applicant apparently ignores the mandate of the numerous court decisions supporting the position given above. The issue of obviousness is not determined by what the references expressly state but by what they would reasonably suggest to one of ordinary skill in the art, as supported by decisions in *In re Delisle* 406 Fed 1326, 160 USPQ 806; *In re Kell, Terry and Davies* 208 USPQ 871; and *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ 2d 1596, 1598 (Fed. Cir. 1988) (citing *In re Lalu*, 747 F.2d 703, 705, 223 USPQ 1257, 1258 (Fed. Cir. 1988)). Further, it was determined in *In re Lamberti et al* 192 USPQ 278 (CCPA) that:

- (i) obvious does not require absolute predictability;
- (ii) non-preferred embodiments of prior art must also be considered; and
- (iii) the question is not express teaching of references but what they would suggest.

According to *In re Jacoby*, 135 USPQ 317 (CCPA 1962), the skilled artisan is presumed to know something more about the art than only what is disclosed in the applied references. Within *In re Bode*, 193 USPQ 12 (CCPA 1977), every reference relies to some extent on knowledge of persons skilled in the art to complement that which is disclosed therein. In *In re*

*Conrad* 169 USPQ 170 (CCPA), obviousness is not based on express suggestion, but what references taken collectively would suggest.

In the instant case, it is NOT seen that the Examiner's combination of references is unsupported by the applied prior art of record. Rather, it is respectfully submitted that explanation based on the logic and scientific reasoning of one ordinarily skilled in the art at the time of the invention that support a holding of obviousness has been adequately provided by the motivations and reasons indicated by the Examiner, *Ex pane Levengood* 28 USPQ 2d 1300 (Bd. Pat. App. & Inter., 4/22/93).

Responding to arguments regarding claims 16, 20, and 25, see the Examiner's responses above regarding claims 15, 19, and 24.

With regard to the argument concerning claim 21, the Examiner maintains the rejection shown below in light of the Applicant's assertions and objections.

With regard to the limitations of claims 29-31, see the Examiner's responses above regarding claims 15, 19, and 24.

With regard to the limitations of claims 14, 18, and 23, see the Examiner's responses above regarding claims 15, 19, and 24.

With regard to the limitations of claims 26-28, Applicant provides a generic formula with broad variables and undisclosed calculations. As a simple tool for disclosing a stored value, it is non-unique and does not impart any benefit to the invention as claimed. Any allegations to the contrary are not shown to be supported within the claim language itself. Again, it appears as if the Applicant is reading limitations into the claims from the specification. Consequently, the points argued are not recited in the claims themselves. For that reason, a solid argument in their contemplation cannot be established. Subsequent amendments to the claim language that would include the positions presented by the Applicant's arguments would provoke the Examiner to address the claims individually and as a whole, in light of the remaining limitations as well as the specification. Until such amendments are rendered, the arguments are disregarded and will not be countered.

In summary, the Examiner has taken the broadest and most reasonable interpretation of the claim limitations as written, in light of the specification. Although the specification may contain recitations of intended use, alternative points of view and subjective interpretative differences between the prior art of record and the present invention as premeditated, it is the claims themselves that are given patentable weight only inasmuch as they are constructed. Because the claimed invention has been painted with the broad stroke of petitioning for limitations that encompasses more than is asserted in the Applicant's claims, the prior art of record continues to fully disclose the Applicant's inventions *as claimed*.

#### **Claim Rejections - 35 USC § 103**

14. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

15. Claims 13-31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Rosen (US Patent No. 5,455,407) in view of Applicant's own admissions.

**Examiner's Note:** The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or

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part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

**Claims 13, 17, 22 and 29:**

Rosen discloses the following limitations (see at least Abstract; Background/Summary of the Invention; Fig 3-10; associated text; Fig 34-36a, 36-36a and 46-46a, associated text; C2, L42-45: "common payer to payee"; C8, L52—62: "a subscriber will not be required to maintain a bank account"):

- *prompting payer to input payer's account identifier and password;*
- *authenticating the said payer's account identifier and password for validity;*
- *prompting the payer to input payee's account identifier and fund transfer information;*
- *receiving said payee's account identifier and fund transfer information;*
- *upon authenticating the payee's account identifier, instantly crediting the fund to payee's account if the balance in the database associated with the payer account identifier and password is more than the fund for transfer; and*
- *instantly debiting the balance associated with the payer's account identifier and password in the database with the said fund transferred to payee's account;*

Rosen does not specifically recite "transfer made without interacting with payee" but he clearly teaches that his system may be fully automated (C4, L49-52), and as such, intrinsically has the capability to effect payment deposits to a payee's account without intervention from the payee.

Applicant, in the background of the specification, specifically discloses these features as already known in the art:

- *prompting payer to input payer's account identifier and password;*
- *authenticating the said payer's account identifier and password for validity;*
- *prompting the payer to input payee's account identifier and fund transfer information;*
- *receiving said payee's account identifier and fund transfer information;*



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- *upon authenticating the payee's account identifier, instantly crediting the fund to payee's account if the balance in the database associated with the payer account identifier and password is more than the fund for transfer; and*
- *instantly debiting the balance associated with the payer's account identifier and password in the database with the said fund transferred to payee's account;*
- *transfer made without interacting with payee.*

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings of Rosen with information considered to be already well-known in the art because it provides direct support to Rosen's disclosures, "...there is a need for a system that allows common payor to payee economic exchanges without the intermediation of the banking system, and that gives control of the payment process to the individual. Furthermore, a need exists for providing a system of economic exchange that can be used by large organizations for commercial payments of any size, that does not have the limitations of the current EFT systems (Rosen: column 2, lines 42-49)." In addition, the Applicant, on pages 6 and 7 of the background information discloses the limitations of claim 29 as recognized in the art. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings of Rosen with information considered to be already well-known in the art because it lends support to Rosen's disclosures as previously evidenced.

**Claims 15, 19, and 24:**

Rosen discloses the following limitations. See at least all above citations; Fig 7, associated text; C10, L25 - C17, L25; C17, L28 - C18, L67):

- *at the merchant server, receiving a request for payment for good or services by purchaser;*
- *generating a first dynamic transaction code to the host server;*
- *generating a second dynamic transaction code to the purchaser;*

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- *at the host server having a database, receiving the first transaction code from the merchant server;*
- *requesting purchaser to provide second transaction code and security code from prepaid card;*
- *receiving the second transaction code and security code as input by purchaser;*
- *authenticating the first transaction code and second transaction code jointly at said host server;*
- *authenticating the said security code for validity;*
- *upon authentication of the security code, instantly crediting the amount requested for payment to merchant's account if the balance in the database associated with the security code is more than the requested amount for payment;*
- *notifying merchant server and purchaser;*

Rosen does not specifically recite *first transaction code and second transaction code are distinct*. However, Rosen does disclose encryption techniques, authentication, and authorization methods intrinsically disclose that each key, code, identifying numbers, signatures, certificates, etc. used in transactions executed by his system will inherently be unique, in order to maintain the highest degree of security and safety.

Applicant, in the background of the specification, specifically discloses these features as already known in the art:

- *at the merchant server, receiving a request for payment for good or services by purchaser;*
- *generating a first dynamic transaction code to the host server;*
- *at the host server having a database, receiving the first transaction code from the merchant server;*
- *requesting purchaser to provide second transaction code and security code from payment card;*

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- *receiving the second transaction code and security code as input by purchaser;*
- *authenticating the first transaction code and second transaction code jointly at said host server;*
- *authenticating the said security code for validity;*
- *upon authentication of the security code, instantly crediting the amount requested for payment to merchant's account if the balance in the database associated with the security code is more than the requested amount for payment;*
- *notifying merchant server and purchaser;*

It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings of Rosen with information considered to be already well-known in the art because it lends support to Rosen's disclosures as previously evidenced..

**Claims 16, 20, and 25:**

Rosen further describe all the steps recited in these claims (see at least all above citations; Fig 36, 46, associated text):

- *requesting purchaser to convert the equivalent amount in prepaid card's currency to the requested foreign currency amount if the balance in the database is more than the requested equivalent foreign currency amount for payment;*
- *receiving approval by purchaser for converting the said equivalent amount to the requested foreign currency amount for the transaction;*
- *instantly crediting the converted amount in foreign currency for payment to merchant's account;*
- *instantly debiting the said credited amount equivalent in prepaid card's currency associate with the purchaser's prepaid card account in the database.*

It would have been obvious for one ordinarily skilled in the art at the time of the invention to have included the capability for a payer to approve currency conversion rates prior to agreeing to a transaction, so as to make sure that no dispute would later arise as to the fairness of such conversion

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operations. In addition, Applicant, in the background of the specification, discloses that currency exchange is already well-known in the art. It would have been obvious to one of ordinary skill in the art at the time of the invention to combine the teachings of Rosen with information considered to be already well-known in the art because it lends support to Rosen's disclosures as previously evidenced.

**Claim 21:**

Rosen further discloses *encrypted purchase information, amount, merchant information and a fixed period of expectancy* (see at least all above citations).

**Claims 29-31:**

Rosen further discloses said *fund is prepaid or stored value* (see all above citations).

**Claims 14, 18, and 23:**

Rosen further discloses (see all above citations):

- *prompting user to enter security code associated with the prepaid card;*
- *receiving the security code;*
- *determining if the security code is valid;*
- *determining if any identifier account is associated with the security code;*
- *if there is no account identifier associated with said code then prompt user to enter a unique user account identifier, password, storage period and currency to be stored;*
- *receiving the said user account identifier, password, storage period and currency as input by user;*
- *determining said user account identifier and password for uniqueness against other stored user account identifiers and passwords;*
- *calculating the stored value;*
- *output stored value to user; and*

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- *if said user account identifier, password combination is unique and stored value is acceptable to user then add said account identifier and password into database linked with the stored value amount;*

Rosen does not specifically disclose:

- *if said user account identifier, password combination is not unique and stored value is acceptable to user then link the stored value amount to said existing user account identifier and password in the database;*
- *whereby upon completion of storing and linking said prepaid card is valueless.*

However, it would have been obvious to one of ordinary skill in the art at the time the invention was made to include linking the account because it would serve to thwart any possible fraudulent use of an existing user's account upon the pretext of adding more stored value to it and activating a new prepaid card. It would have also been obvious for one ordinarily skilled in the art at the time the invention was made to have included an activation method as claimed in a system based on Rosen in order to provide a stronger protection element to the debit/stored value card system because the card user will be assured that only once properly activated by him herself, will the account associated with the card be accessible for transactions.

**Claims 26-28:**

Rosen does not describe the formula used in a currency exchange operation as recited:

- *Stored value=B\*D\*L\*C\*R*
- *Where B is the face value of the prepaid card, D is a factor related to storage period, L is a factor related to the value and loyalty of the customer that is based on his/her past purchases or prepaid cards, C is a factor relating to the cost of money and R is a factor concerning flexibility in currency stored.*

However it is obvious that fees and/or costs for financial services rendered by institutions to clients vary from institution to institution and also from client to client within each institution, depending on many factors, including the size of the institution, its business goals, the desirability and loyalty of

the client to the institution, etc. A conversion rate would follow the same principles and would inherently be different from institution to another, and maybe for one client versus another within an institution. Therefore it would have been obvious to one ordinarily skilled in the art to use a conversion formula structured as recited in these claims in order to reward clients for loyalty, amount of past business, and other positive factors and provide them incentives for continued patronage of each such institution.

### Conclusion

16. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).
17. A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

Any inquiry of a general nature or relating to the status of this application or concerning this communication or earlier communications from the Examiner should be directed to **James A. Reagan** whose telephone number is **571.272.6710**. The Examiner can normally be reached on Monday-Friday, 9:30am-5:00pm. If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, **James Trammell** can be reached at **571.272.6712**.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://portal.uspto.gov/external/portal/pair>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at **866.217.9197** (toll-free).

Any response to this action should be mailed to:

**Commissioner of Patents and Trademarks**

**Washington, D.C. 20231**

or faxed to:

**571-273-8300** [Official communications, After Final communications labeled "Box AF"]

**571-273-8300** [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the **United States Patent and Trademark Office Customer Service Window:**

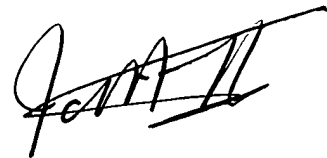
Randolph Building

401 Dulany Street

Alexandria, VA 22314.

JAR

22 September 2005

A handwritten signature in black ink, appearing to be "J. M. II" or similar, written in a cursive style.